UNITED STATES OF AMERICA BEFORE THE FEDERAL ENERGY REGULATORY COMMISSION

New York Independent System Operator, Inc.) Docket No. ER04-230-002

MOTION OF THE NEW YORK INDEPENDENT SYSTEM OPERATOR, INC. FOR EXTENSION OF TIME TO SUBMIT COMPLIANCE FILING AND REQUEST FOR EXPEDITED COMMISSION ACTION

Pursuant to Rule 212 of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.212 (2004), the New York Independent System Operator, Inc. ("NYISO") respectfully requests an extension of time to September 20, 2005 to submit the compliance filing and to implement the 15-minute scheduling option required by the August 10, 2004 order in the abovecaptioned proceeding.¹ On June 16, 2005, the Commission extended the original implementation date for 15 minute scheduling to September 1, 2005.

While the NYISO has completed its testing of the software required to implement 15minute functionality, an extension in time for its implementation is necessary to allow the NYISO to implement it with the balance of the September software releases, with which it was tested, on September 20, 2005. This requested extension in time is also necessary for the NYISO to more comprehensively identify the eligibility criteria for this new service and to review the tariff language describing 15 minute scheduling with its stakeholders. As explained below, the NYISO requests until September 20, 2005 to make this compliance filing and implement 15 minute scheduling. The NYISO will file the compliance tariff sheets supporting 15 minute scheduling on or before September 20, 2005.

¹ New York Independent System Operator, Inc., 108 FERC ¶ 61,188 (2004) ("August 10 Order").

Because the compliance filing is currently due on September 1, 2005, the NYISO respectfully requests that the Commission act expeditiously on this Motion.

I. <u>Background</u>

In its August 10 Order, the Commission directed the NYISO to submit a compliance filing to implement an option for generators to be scheduled on a 15-minute basis, together with improved combined cycle modeling, within 150 days after the effective date of the NYISO's implementation of its Real-Time Scheduling ("RTS") software and associated market rules.² The NYISO gave notice to the Commission and Market Participants on January 14 and 28, 2005, that the RTS market enhancements would become effective on February 1, 2005. On February 1, the RTS software commenced operations.

On September 9, 2004, NYISO submitted a request for rehearing of the August 10 Order requesting that the Commission allow it to implement 15 minute scheduling before implementing combined cycle modeling. The Commission granted the NYISO request in an Order on Rehearing issued June 24, 2005.³

On June 9, 2005, the NYISO submitted a motion for an extension of time to submit the compliance filing implementing 15 minute scheduling as required by the August 10 Order. On June 16, 2005 the Commission granted the motion for delay and ordered the compliance filing be made by September 1, 2005.

II. Motion for Extension of Time

Pursuant to the June 16, 2005 Notice of Extension of Time, the NYISO's compliance filing to implement 15-minute scheduling and improved combined cycle modeling is due on

² See August 10 Order at P 28.

³ New York Independent System Operator, Inc.,111 FERC ¶61,468 (2005)

September 1, 2005. The NYISO has received the software from its vendor and has tested it with several other software enhancements that it intends to install September 20, 2005. Delays in July and August software implementation schedules, due to the extremely high loads experienced in New York during those months, have pushed the software release containing 15 minute scheduling to September 20, 2005.⁴ But for the hot weather, the NYISO could have installed this software package earlier. The NYISO is also unable to pull 15 minute scheduling software out of this package of software enhancements for separate implementation.

The NYISO presented the concept of 15 minute scheduling to its Market Participants at a Market Structures Working group meeting held on March 11, 2005. The NYISO has been working diligently on devising tariff language to implement the software. As the NYISO has previously stated to the Commission, eligibility for 15 minute scheduling has to be carefully defined to avoid making it inefficiently attractive for generators to opt out of the NYISO's real time dispatch.⁵ The NYISO would also, however, like to make this new functionality as widely available as is reasonably possible. In order to ensure that the NYISO has developed a definition of eligibility for 15 minute scheduling that will meet these two goals, the NYISO needs additional evaluation time and an opportunity to share its suggested eligibility factors with its Market Participants.

The NYISO believes that further efforts at defining eligibility that will avoid the loss of on-dispatch providers, while making this new functionality attractive to its Market Participants, is crucial to the success of this product.

⁴ See report of new peak load set on July 26, 2005 at: <u>http://www.nyiso.com/public/webdocs/newsroom/press_releases/2005/nr_nyiso_summer_peak_0726.pdf</u>

⁵ August 10 order, ¶19,

Therefore, the NYISO respectfully requests that the Commission grant it a further extension of time to comply with the August 10 Order. This twelve business day extension will provide the NYISO with sufficient time to smoothly install the 15 minute scheduling software and finalize eligibility criteria to share with its Market Participants. The NYISO commits to submitting its compliance filing as soon as practicable, and will use its best efforts to make the compliance filing before September 20, 2005.

III. <u>Request for Expedited Action</u>

Finally, the NYISO requests expedited action on this Motion. The compliance filing is due in less than one week, and the NYISO will need a determination at the earliest possible date so that it may have sufficient time to develop alternative plans should the Commission reject the NYISO's Motion.

IV. Conclusion

Wherefore, for the reasons set forth herein, the New York Independent System Operator, Inc. respectfully requests that the Commission expeditiously grant the Motion and extend the due date for the compliance filing.

Respectfully submitted,

Mollie Lampi Assistance General Counsel New York Independent System Operator, Inc.

August 30, 2005

cc: Daniel L. Larcamp Anna V. Cochrane Connie N. Caldwell Michael A. Bardee

CERTIFICATE OF SERVICE

I certify that I have served the foregoing document this day on the official service list

established by the Secretary in this proceeding.

Dated at Albany, New York this 30th day of August 2005

/s/ Mollie Lampi NYISO 290 Washington Ave. Albany, New York 12203 (518) 356 7530